



TERMS AND CONDITIONS of purchase

These Terms and Conditions are an integral part of any Purchase Order issued by GTC, and submitted to a prospective SELLER (“SELLER”), for goods to be supplied or services to be performed by SELLER as described therein (“PO”). GTC’s obligations under its PO are conditioned upon SELLER’s acceptance of all of the terms set forth herein without modification; any attempt to modify these provisions without the prior written consent of both parties is null and void and of no effect.

1. Delivery. Time is of the essence. All deliveries are **FOB-destination** at GTC’s plant in Cincinnati, Ohio unless specified otherwise on the face of the PO. SELLER must advise GTC immediately of any shortage or delay in the furnishing of goods or services and any such shortage or delay may, at the sole discretion of GTC, constitute a material breach of these terms.
2. Title and Risk of loss. Title and risk of loss shall remain with SELLER and shall not pass to GTC until **actual delivery of goods to GTC’s plant** in Cincinnati, Ohio.
3. Inspection. Goods or services shall at all times be subject to GTC's inspection provided that neither such inspection, nor failure of GTC to inspect, shall relieve SELLER of its obligations under the PO. Goods or services that are non-conforming may be repaired, replaced or re-performed, at the sole discretion of GTC, and all costs and expenses incurred shall be borne by SELLER. GTC shall have the right to offset such costs and expenses against any balances due SELLER.
4. Right of entry. GTC at its own expense shall have the right to enter upon the premises of SELLER at reasonable times for the purpose of determining whether SELLER is making satisfactory progress in the performance of its obligations under the PO and SELLER shall cooperate in good faith and grant reasonable access to GTC.
5. No delegation of performance. SELLER shall not delegate, sub-let, sub-contract or transfer its performance obligations under a subject PO, in whole or in part, without the prior written consent of GTC.
6. Seller’s representations and warranties. SELLER represents, warrants and covenants that any and all goods supplied to or services performed for GTC pursuant to a subject PO shall: (a) Conform fully to all specifications contained therein; (b) Be of best quality and free from defects in materials and workmanship and, where SELLER has responsibility for design, be free from defects in design; (c) Be merchantable and fit for the ordinary purpose for such goods; (d) Be fit for the particular purpose intended by GTC and its customer, where SELLER has reason to know that information; (e) Be free and clear of all liens, claims, security interests and encumbrances whatsoever; (f) Not infringe on any copyright, patent, trademark, trade secret, franchise or other intellectual property right in connection with the manufacture, use, sale or distribution thereof.
7. Quality assurance requirements. Quality assurance requirements may be incorporated into a subject PO by reference, and shall have the same force and effect as if set forth in full text. When identified on the face of the PO, the quality assurance requirements shall supersede any conflicting provisions contained in these preprinted Terms and Conditions.
8. Minor changes. GTC in its sole discretion shall have the right to make minor changes or adjustments in quantity (number of units) and/or delivery (due date) for each individual line-item in the PO and **SELLER must accept those changes** at the same price (per unit) contained in the original PO, so long as any quantity changes are within 10% (+ or –) of the original count, and so long as any delivery changes do not exceed a 90-day delay after the original due dates. In no event shall SELLER be required to accept delivery changes before the original due dates without the opportunity to reconsider cost and pricing impact. Any changes requested by GTC that exceed these limits as to quantity and/or delivery shall allow SELLER to reconsider cost and pricing impact. Nothing contained herein shall relieve SELLER of its obligation to perform under the original PO or any requested changes.



9. Termination for convenience. **GTC in its sole discretion may terminate its PO in whole or in part at any time** by providing written notice to SELLER. When such termination is for convenience, GTC shall be liable only for SELLER’s costs actually incurred in the performance of each individual line-item in the PO, but in no event greater than the purchase price of each individual line-item in the PO, and GTC shall be entitled to offset any salvage or scrap value for the work performed. In the event of termination, SELLER must submit notice of any claims within two months of termination.
10. Taxes separate. Any applicable federal, state or local taxes shall be shown separately on SELLER’s invoice.
11. No waiver. Failure by GTC to exercise its rights under these Terms and Conditions for any breach hereof shall not be deemed to be a waiver of those rights or a waiver of any subsequent breach.
12. Proprietary information. SELLER shall treat all information received from GTC pursuant to or in furtherance of a subject PO as trade secret and proprietary to GTC exclusively, and shall protect and keep confidential such information. SELLER shall not disclose nor convert such information for its own use in any way whatsoever without the prior written consent of GTC, except as may be necessary in the course of performing the PO.
13. Non-disclosure of information (NAVAIR 5252.204-9504). SELLER shall not release to anyone outside the SELLER’s organization any unclassified information (e.g., announcement of contract award) regardless of medium (e.g., film, tape, document) pertaining to any part of this PO or any program related to this PO, unless GTC has given prior written approval. Requests for approval shall identify the specific information to be released, the medium to be used, and the purpose for the release. SELLER shall submit its request to GTC at least fifteen (15) days before the proposed date for release. SELLER agrees to include a similar requirement in each lower-tier subcontract under this PO. Lower-tier subcontractors shall submit requests for authorization to release through GTC to the prime contractor.
14. Costs and attorneys’ fees. SELLER shall indemnify, save, defend, and hold GTC harmless from any loss, cost, expense, or liability, including fees of accountants, attorneys, consultants, and expert witnesses reasonably incurred in defending or enforcing GTC’s rights in connection with its PO or otherwise relating to the relationship of the parties, regardless of whether they are incurred before, during, or after any litigation or other dispute resolution procedure, and regardless of whether they relate to issues arising out of contract, tort, bankruptcy, intellectual property, or some other area of law.
15. Governing law, jurisdiction and forum. Any disputes that arise regarding the performance of a subject PO shall be governed and construed in accordance with the laws of the State of Ohio, without regard to its conflict of law principles. Any legal action by either party against the other relating to the PO or these Terms and Conditions shall only be commenced in a court of competent jurisdiction in Hamilton County, Ohio. For this purpose, each party consents to personal jurisdiction in such court and waives any right to dismiss or transfer such action or proceeding because of the inconvenience of the forum. Nothing in this section shall prevent enforcement in another forum of any judgment so obtained.
16. Entire agreement. The PO together with these Terms and Conditions represent the entire agreement between GTC and SELLER; only the provisions contained within the PO together with these Terms and Conditions are enforceable and any attempt to modify these provisions without the prior written consent of both parties is null and void and of no effect.



17. Subcontract flow-down provisions. Whenever goods or services are purchased pursuant to a U.S. Government *prime* contract or *subcontract*, GTC will reference the *prime* contract number on the face of its PO (*subcontract*) to SELLER. All applicable clauses from Federal Acquisition Regulation (FAR) and/or Department of Defense Federal Acquisition Regulation Supplement (DFARS) shall supersede conflicting provisions, if any, contained in these preprinted Terms and Conditions. (Complete contents of all FAR/DFARS may be obtained online at: <http://farsite.hill.af.mil/>)

Government subcontracts for **commercial items** (non-specialized goods or services) shall include the following FAR/DFARS clauses, which shall have the same force and effect as if set forth in full text, except for those that are specifically excepted by text or dollar value as noted within each clause:

FAR Clauses

- 52.203-19 Prohibition on Requiring Certain Internal Confidentiality Agreements or Statements
- 52.204-2 Security Requirements (applicable to Classified information)
- 52.204-21 Basic Safeguarding of Covered Contractor Information Systems
- 52.204-23 Prohibition on Contracts for Hardware, Software, and Services Developed or Provided by Kaspersky Lab and Other Covered Entities
- 52.219-8 Utilization of Small Business Concerns
- 52.244-6 Subcontracts for Commercial Items

DFARS Clauses

- 252.204-7012 Safeguarding of Unclassified Controlled Technical Information
- 252.223-7008 Prohibition of Hexavalent Chromium
- 252.225-7001 Buy American and Balance of Payments Program
- 252.225-7008 Restriction on Acquisition of Specialty Metals
- 252.225-7009 Restriction on Acquisition of Certain Articles Containing Specialty Metals
- 252.225-7016 Restrictions on Acquisition of Ball and Roller Bearings
- 252.227-7015 Technical Data – Commercial Items
- 252.244-7000 Subcontracts for Commercial Items

Government subcontracts for **non-commercial items** (specialized goods or services) shall also include the flow-down provisions listed above plus, whenever applicable, a specific list of additional FAR/DFARS clauses that will be attached to these Terms and Conditions as an **Addendum**.



ADDENDUM to Terms and Conditions
For Purchase Orders/Subcontracts of Non-Commercial Items in Support of U.S. Governments Contracts

This Addendum shall become an integral part of any Purchase Order issued by GTC, and submitted to a prospective SELLER (“SELLER”) as described therein (“PO”), for Non-Commercial Items (specialized goods or services) in support of a U.S. Government contract. GTC’s obligations under its PO are conditioned upon: (1) SELLER’s acknowledgement that some or all of the items contained in the PO are non-commercial items; and (2) SELLER’s acceptance of this Addendum to GTC’s Terms and Conditions.

Whenever non-commercial items (specialized goods or services) are purchased pursuant to a U.S. Government prime contract or subcontract, GTC will reference both the prime contract number and this Addendum on the face of its PO to SELLER. Any conflict between any of the clauses contained in this Addendum and GTC’s Terms and Conditions shall be resolved in favor of the clauses in this Addendum, using the version in existence as of the effective date of the prime contract with the Government. (Complete contents of all FAR/DFARS may be obtained online at: http://farsite.hill.af.mil/)

Government subcontracts for non-commercial items shall include the following additional flow-down provisions, which are incorporated in and made part of GTC’s PO and shall have the same force and effect as if set forth in full text, except for those that are specifically excepted by text or dollar value as noted below and within each clause:

Additional FAR/DFARS clauses applicable to ALL orders for non-commercial items

- 52.203-15 Whistleblower Protections Under the American Recovery and Reinvestment Act
52.204-21 Basic Safeguarding of Covered Contractor Information Systems
52.211-5 Material Requirements
52.211-15 Defense Priority and Allocation Requirements (for DPAS rated orders)
52.222-21 Prohibition of Segregated Facilities
52.222-26 Equal Opportunity
52.222-36 Equal Opportunity for Workers with Disabilities
52.222-40 Notification of Employee Rights Under the National Labor Relations Act
52.222-41 Service Contract Labor Standards
52.222-50 Combating Trafficking in Persons
52.222-54 Employment Eligibility Verification
52.222-55 Minimum Wages Under Executive Order 13658
52.222-62 Paid Sick Leave Under Executive Order 13706
52.223-3 Hazardous Material Identification and Material Safety Data
52.223-18 Encouraging Contractor Policies to Ban Text Messaging While Driving
52.225-1 Buy American Act – Supplies
52.247-64 Preference for Privately Owned U.S.-Flag Commercial Vessels
52.225-13 Restrictions on Certain Foreign Purchases
52.227-11 Patent Rights – Ownership by the Contractor
252.203-7002 Requirement to Inform Employees of Whistleblower Rights
252.227-7013 Rights in Technical Data – Non-commercial Items

Additional FAR/DFARS clauses applicable to orders > \$35,000 for non-commercial items

- 52.209-6 Protecting the Government’s Interest When Subcontracting with Contractors Debarred, Suspended or Proposed for Debarment



Additional FAR/DFARS clauses applicable to orders > \$150,000 for non-commercial items

- 52.203-6 Restrictions on Subcontractor Sales to the Government
- 52.203-7 Anti-Kickback Procedures
- 52.203-12 Limitation on Payments to Influence Certain Federal Transactions
- 52.203-16 Preventing Personal Conflicts of Interest
- 52.203-17 Contractor Employee Whistleblower Rights and Requirement to Inform Employees of Whistleblower Rights
- 52.215-2 Audit and Records – Negotiation
- 52.215-14 Integrity of Unit Prices
- 52.222-17 Nondisplacement of Qualified Workers (applies to services only)
- 52.222-35 Equal Opportunity for Veterans
- 52.222-37 Employment Reports on Veterans
- 252.203-7001 Prohibition on Persons Convicted of Fraud or Other Defense-Contract-Related Felonies
- 252.209-7004 Subcontracting with Firms that are Owned or Controlled by the Government of a Country that is a State Sponsor of Terrorism
- 252.225-7012 Preference for Certain Domestic Commodities

Additional FAR/DFARS clauses applicable to orders > \$500,000 for non-commercial items

- 252.226-7001 Utilization of Indian Organizations, Indian-Owned Economic Enterprises, and Native Hawaiian Small Business Concerns

Additional FAR/DFARS clauses applicable to orders > \$700,000 for non-commercial items

- 252.249-7002 Notification of Anticipated Contract Termination or Reduction

Additional FAR/DFARS clauses applicable to orders > \$750,000 for non-commercial items

- 52.215-10 Price Reduction for Defective Certified Cost or Pricing Data
- 52.215-11 Price Reduction for Defective Certified Cost or Pricing Data – Modification
- 52.215-12 Subcontractor Certified Cost or Pricing Data
- 52.215-13 Subcontractor Certified Cost or Pricing Data – Modification
- 52.215-15 Pension Adjustments and Asset Reversions
- 52.215-18 Reversion or Adjustment of Plans for Post-Retirement Benefits (PRB) other than Pensions
- 52.215-19 Notification of Ownership Changes
- 52.215-23 Limitations on Pass-Through Charges

Additional FAR/DFARS clauses applicable to orders > \$1,000,000 for non-commercial items

- 252.222-7006 Restrictions on the Use of Mandatory Arbitration Agreements

Additional FAR/DFARS clauses applicable to orders > \$1,500,000 for non-commercial items

- 252.211-7000 Acquisition Streamlining

Additional FAR/DFARS clauses applicable to orders > \$5,500,000 for non-commercial items

- 52.203-13 Contractor Code of Business Ethics and Conduct
- 52.203-14 Display of Hotline Posters
- 252.203-7004 Display of Hotline Posters